

# Why clients need Critical Illness cover



With 90% of heart attack victims in the UK under 75 surviving, a good question to ask is: how will they and their family survive the financial implications?

Critical illness protection can provide a financial safety net for a client's family. Financial planning is about protection as well as wealth generation. If the head of the family is diagnosed with an illness and no longer able to work, there are some difficult questions that need addressing before this can happen:

- how would the family pay the mortgage?
- how would the family pay for house renovations if they were needed?
- how would the family save or pay for school fees?
- where would the family get the money for basics such as food and transport?
- what financial protection does the family have against long term illness?
- what support will the government provide in cases of illness, disability or death?

We know life cover is there if the client dies, but what do they have if they survive and recover?

The improvements in medicine have resulted in a greater chance of surviving an illness. What were once fatal illnesses are now increasingly survivable. Yet, our demanding lifestyles and increased life expectancy make us more likely to suffer from a critical illness, but survival doesn't mean a full recovery.

In the UK during the 1970s, a man diagnosed with prostate cancer had a 20% chance of surviving more than 10 years. By 2007, this had increased to 69%.

This trend is not limited to men. Breast cancer survival rates have increased as well, and in the 1970s only 40% of women survived more than 10 years, again by 2007 this had increased up to 77%.

Cancer is not the only disease that is being conquered by medical science. Cardio Vascular Disease (CVD) mortality rates have dropped massively over the last 30 years. Based on numbers from the British Heart foundation, there has been a 77% decrease in the number of men aged between 45 and 54 who die from a CVD.

Medical treatment, preventative care, and medication have made the difference in this battle. In 1977 only 2,297 Coronary Artery by-pass Grafts were performed across the entire UK. In 2008, this had increased up to 22,846 operations. Medical insurance may cover the cost of the treatment, but what support does the client have for after the surgery? Given the recovery time following a surgery, the client is unlikely to be able to return to work and will need some form of income replacement. Even a small amount of critical illness cover can help make the difference.

**Percentage drop in the CVD death rate for UK men aged 45-54 over the last 36 years**

# 77%

**Increase in number of Coronary Artery Bypass surgeries in the UK between 1977 and 2008**

# 895%

### Critical Illness cover

The increasing likelihood of disease means a client needs financial protection against the consequences of such a diagnosis. Medical cover can provide insurance against the expense of surgery, but what about lost income?

For expatriates, a critical illness policy can replace the support and benefits government might normally offer, be it unemployment benefits or even disability benefits. Having a critical illness policy can give the peace of mind a client needs to get well, and continue living.

Our Critical Illness cover starts just 90 days after a client's policy is issued and includes coverage for the following diagnosis:

- Aorta graft surgery
- Blindness
- Cancer
- Coma
- Coronary Artery by-pass graft
- Deafness
- Heart attack
- Heart valve replacement/repair
- Kidney failure
- Long term care
- Major organ transplant
- Motor neurone disease
- Multiple sclerosis
- Paralysis of limbs
- Stroke
- Third degree burns
- Total and Permanent Disability

LifePlan's packaged inclusion of Long Term Care and Total and Permanent Disability also means you don't have to persuade clients to take out additional covers, it's already taken care of.

Highlighting the need for critical illness cover is likely to be a difficult conversation, but this crucial cover is designed to give a client and their family the financial backing they need whilst getting better.

It's not worth taking the risk, your client needs LifePlan.

#### Important notes

For financial advisers only. Not to be distributed to, nor relied on by, retail clients.

Source: Cancer research UK, British Heart Foundation

Full definitions of the relevant conditions or procedures can be found in the LifePlan *Terms and Conditions*.